

ARIZONA BOARD OF APPRAISAL
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**MINUTES
REGULAR BOARD MEETING
THURSDAY, OCTOBER 16, 2008, 9:00 AM.**

Board Members Present at Roll Call: Les Abrams; Victor Hartsfield; Myra Jefferson; Michael Marquess; Debbie Rudd. A quorum was present. Board Members Present after Roll Call: Cynthia Henry. Board Members Absent: Gabe Corral. Vacant Board Member Positions: Certified General Appraiser; Public.

Also Present at Roll Call: Debb Pearson, Executive Director; Jeanne Galvin, Assistant Attorney General.

Les Abrams acted as Chairperson.

The Board pledged allegiance to the flag of the United States of America.

Staff was instructed to place approval of the Minutes of the September 18, 2008, Regular Board Meeting and the Minutes of the September 26, 2008 Board Outreach Meeting on the Board's next regular agenda and that the drafts be placed on the Board's website.

PUBLIC ANNOUNCEMENTS AND CALL TO PUBLIC

None.

APPLICATION REVIEW COMMITTEE REPORT

Debbie Rudd reported the following Arizona appraiser and property tax agent information as of October 15, 2008:

	<u>10/06</u>		<u>10/07</u>		<u>10/08</u>
Licensed Residential	1039		1136		899
Certified Residential	927		1041		1220
Certified General	761		798		813
Nonresident Temporary	61	Total 2778	27	Total 2998	38 Total 2972
Property Tax Agents	307		260		293

Michael Marquess moved that the Board approve the revised applications to comply with the November 1, 2008, firm implementation date of the Appraiser Qualifications Board *Real Property Appraiser Qualification Criteria and Interpretation of the Criteria Effective January 1, 2008*. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Michael Marquess moved that the Board find the renewal application of Michael T. Asher, Certified Residential Appraiser 21401, substantively complete, and that the appraiser be required to keep the Board apprised of the status of the pending complaint in Minnesota. Victor Hartsfield seconded the motion. The Board voted unanimously in favor of the motion. Michael Marquess moved that the Board accept the Committee's recommendations (see attached). Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Cynthia Henry joined the meeting.

COMPLAINT REVIEW

Review and Action Concerning 2727, King G. Ruby.

Respondent appeared. Staff summary was read. Debbie Rudd moved that the matter be referred to investigation. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

APPLICATION REVIEW COMMITTEE REPORT

Michael Marquess recused himself concerning the renewal application of Julie D. Friess, Certified Residential Appraiser 20957. Debbie Rudd moved that the Board find the renewal application of Julie D. Friess, Certified Residential Appraiser 20957, substantively complete. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the appraiser be required to keep the Board apprised of the status of the pending litigation. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

COMPLAINT REVIEW

Review and Action Concerning 2302, Michael D. Schendel.

Respondent appeared. Debbie Rudd moved that the Board accept the proof of the completed remedial education late and that the complaint be closed. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2726, Jonathan F. Williams.

Respondent appeared. Staff summary was read. Debbie Rudd moved that the Board find Level III violations and offer Respondent a Consent Agreement and Order citing the violations and providing for probation, mentorship and education. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2680, Ambrose Rojas.

Respondent appeared. Debbie Rudd moved that the Board rescind its prior motion. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board find no violations and the matter be dismissed. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing Concerning 2480, Lisa S. Speelman.

Respondent did not appear. Michael Marquess moved that the Board accept the proof of the completed remedial education late and that the complaint be closed. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing Concerning 2380, Timothy J. Morris.

Respondent appeared, was sworn in, made statements to the Board and answered the Board's questions. Debbie Rudd moved that the Board find Level V violations and offer Respondent a Consent Agreement and Order citing violations and providing for suspension until the remedial education is completed. Michael Marquess seconded the motion. The Board voted 5-1 in favor of the motion. Cynthia Henry voted no.

Review and Action Concerning 2486, Kisten L. Stormo.

Respondent did not appear, but was represented by Loren I. Thorson, Esq. Les Abrams moved that the Board grant Respondent a 10-day extension to submit the name of a proposed mentor for approval; otherwise, the matter proceed to formal hearing before the Office of Administrative Hearings (OAH). Debbie Rudd seconded the motion. The Board 5-1 in favor of the motion. Myra Jefferson voted no.

Review and Action Concerning 2678, Donald L. Hall.

Respondent appeared. Debbie Rudd moved that the Board accept Respondent's counteroffer. Victor Hartsfield seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2721, Joseph A. Turley/2722, Douglas C. Underwood.

Respondents appeared. Staff summaries were read. Debbie Rudd moved that the matters be referred to investigation. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2689/2690/2691/2692, William L. Brennan.

Respondent appeared. Debbie Rudd recused herself. Staff summaries were read. Michael Marquess moved that the Board find Level II violations and offer Respondent a due diligence consent letter citing violations. Victor Hartsfield seconded the motion. The Board voted unanimously in favor of the motion.

NEW BUSINESS

Discussion and Action Concerning Revision to the Supervising Appraiser/Trainee Frequently Asked Questions (FAQS).

Debbie Rudd moved that the matter be tabled to allow the FAQs to be revised and that the FAQs be temporarily removed from the Board's website. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

COMPLAINT REVIEW

Review and Action Concerning 2545/2546/2547/2548, Thomas M. Kittelmann.

Respondent appeared. Debbie Rudd moved that the Board accept the investigative reports. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board invite Respondent to an informal hearing. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2634, Gwendalynn M. Partlow.

Respondent appeared. Les Abrams moved that, at Respondent's request, the Board invite Respondent to a second informal hearing. Cynthia Henry seconded the motion. The Board voted 4-2 in favor of the motion upon the following roll call vote: Les Abrams—yes; Victor Hartsfield—yes; Cynthia Henry—yes; Myra Jefferson—yes; Michael Marquess—no; Debbie Rudd—no.

Review and Action Concerning 2723, Todd P. Barnhart.

Respondent appeared. Staff summary was read. Debbie Rudd moved that the matter be referred to investigation. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2719, Jay A. Josephs.

Respondent did not appear. Michael Marquess recused himself. Staff summary was read. Debbie Rudd moved that the Board find no violations and dismiss the complaint. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2684/2685, Michael T. Asher.

Respondent did not appear. Staff summaries were read. Debbie Rudd moved that the Board find no violations and dismiss 2684. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion. Michael Marquess moved that the Board find no violations and dismiss 2685. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2725, Thomas A. Canale.

Respondent did not appear. Staff summary was read. Debbie Rudd moved that the matter be referred to investigation. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2720, Thomas A. Reeb.

Respondent did not appear. Staff summary was read. Debbie Rudd moved that the Board find no violations and dismiss the complaint. The motion failed for the lack of a second. Michael Marquess moved that the matter be tabled to allow staff to request additional information. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2724, Brisa L. Manis.

Respondent did not appear. Staff summary was read. Debbie Rudd moved that the Board invite Respondent to an informal hearing. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2729, Renee A. Carpenter.

Respondent did not appear. Staff summary was read. Debbie Rudd moved that the Board find Level I violations and offer Respondent a nondisciplinary letter of concern citing violations. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2730, Stephen M. Steitz.

Respondent did not appear. Staff summary was read. Debbie Rudd moved that the Board find no violations and dismiss the complaint. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2732, David M. Lyons/2733, Tammy A. Allan-Morgan.

Respondents did not appear. Staff summaries were read. Debbie Rudd moved that the Board find no violations and dismiss the complaints. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2736, Mark A. Heitzinger.

Respondent did not appear. Staff summary was read. Michael Marquess moved that the Board find no violations and dismiss the complaint. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning Superior Court Case CV-06-4140 (03F-1782-BOA/03F-1784-BOA)/2492, Felicia M. Coplan.

Respondent did not appear. Jeanne Galvin provided a status update to the Board concerning CV-06-4140 (03F-1782-BOA/03F-1784-BOA). The Board took no action concerning 2492.

Review and Action Concerning 2311/2312/2313/2314/2315, Shahab A. Mehkri.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2321, Thomas J. Dozier.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2418, Lance R. Freeman.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2444, Dawna (Rogers) Khoudepaz.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2452, Dana A. Miller.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2453, Jaime Topete.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2462/2463/2464/2465/2466/2467/2468/2469, Shawkat E. Halabu.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2470, Paul F. DeVries.

Respondent did not appear. Upon its 12-month file review, the Board instructed staff to proceed with the formal hearing before the Office of Administrative Hearings (OAH).

Review and Action Concerning 2488, Richard A. Webb.

Respondent did not appear. Jeanne Galvin updated the Board concerning Respondent's court proceedings.

Review and Action Concerning 2530, Carol J. Lucero.

Respondent did not appear. Michael Marquess moved that the Board accept the investigative report. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Michael Marquess moved that the Board invite Respondent to an informal hearing. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2536, Gregory S. Pongratz.

Respondent did not appear. Michael Marquess moved that the Board accept the investigative report. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Michael Marquess moved that the Board find no violations and dismiss the complaint. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2541, John T. Martell.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board find Level V violations and offer Respondent a Consent Agreement and Order providing for suspension; and if Respondent does not agree; that the matter be referred to formal hearing before the Office of Administrative Hearings (OAH). Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2558, Matthew S. Prince.

Respondent did not appear. Michael Marquess moved that the Board accept the investigative report. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board find Level I violations and offer Respondent a nondisciplinary letter of concern. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2566, Tina M. Michaels.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board find no violations and dismiss the complaint. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2567, Edward C. Jones.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report with exceptions. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board find Level II violations and offer Respondent a nondisciplinary letter of remedial action citing violations and requiring remedial education. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2578, Robyn K. Hardy.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board invite Respondent to an informal hearing. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2580, Cheryl A. Zormeier.

Respondent did not appear. Michael Marquess moved that the Board accept the investigative report. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board find Level I violations and offer Respondent a nondisciplinary letter of concern citing the violations. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2624, Shemika L. Hill.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board invite Respondent to an informal hearing. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2638, Anthony C. Pierson.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board invite Respondent to an informal hearing. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2643, Brian A. Friedman.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report with exceptions. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board invite Respondent to an informal hearing. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2656, Janet M. Robbins.

Respondent did not appear. Debbie Rudd moved that the Board accept the investigative report. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd moved that the Board find Level II violations and offer Respondent a nondisciplinary letter of remedial action citing the violations and requiring remedial education. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2666, Jeffrey M. Playford.

Respondent did not appear. Michael Marquess moved that the Board accept the investigative report. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Michael Marquess moved that the Board find no violations and that the matter be dismissed. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2307, Razvan P. Silvas.

Respondent did not appear. Debbie Rudd moved that the Board approve Randall C. Williams, Certified Residential Appraiser # 21240, as Respondent's mentor. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2379, Michael S. Mason.

Respondent did not appear. Debbie Rudd moved that the Board grant Respondent a 30-day extension to complete his disciplinary education. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2436, Vernon L. Stutzman.

Respondent did not appear. Michael Marquess moved that the Board refer the matter to formal hearing before the Office of Administrative Hearings (OAH). Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2575, Rosalie Mohr.

Respondent did not appear. Debbie Rudd moved that, at the request of Respondent, the Board offer Respondent a Consent Agreement and Order providing for surrender of Respondent's license. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion. Michael Marquess moved that the invitation to informal hearing be rescinded if Respondent signs the Consent Agreement and Order. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2650, Colin H. Lord.

Respondent did not appear. Michael Marquess moved that the Board accept the proof of the completed disciplinary education late and that the complaint be closed. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

APPRAISAL TESTING AND EDUCATION COMMITTEE REPORT

The Board referred the discussion concerning random audit of approved courses back to the Committee. Debbie Rudd moved that the Board rescind its prior approval of Online Supervising Appraisal Trainees submitted by the Appraisal Institute and refund the application fee. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion. Myra Jefferson moved that the Board accept the Committee's recommendations (see attached). Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

BOARD CHAIRPERSON REPORT

None.

EXECUTIVE DIRECTOR REPORT

Debb Pearson reported on the status of the Assistant Attorney General's assignments; advised the complaint answer dates that had been extended by staff; reported the following complaint statistics as of 7/31/08 for calendar years 2006, 2007, and 2008:

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
Complaints received by Board	209	243	200		
Complaints heard by Board				619	652
<u>OF THOSE COMPLAINTS:</u>					
Complaints dismissed	73	91	45	98	57
Complaints referred to investigation	84	94	46	116	61
Complaints resolved with nondisciplinary letter of concern	30	16	12	20	14
Complaints resolved with nondisciplinary letter of remedial action	11	19	13	18	20
Complaints resolved with disciplinary letter of due diligence	6	12	2	9	8
Complaints resolved with probation	53	48	5	44	50
Complaints referred to informal hearing	67	72	8	79	41
Complaints referred to formal hearing	40	42	7	32	46
Complaints resolved with suspension	28	7	1	4	29
Complaints resolved with surrender	2	2	1	2	2
Complaints resolved with revocation	2	4	0	4	2
Complaints resolved with cease and desist letters	24	6	0	4	4
<u>Violation Levels:</u>					
I	35	21	14	25	17
II	11	30	15	23	28
III	22	46	5	41	34
IV	4	8	1	6	5
V	33	6	0	5	25
<u>Additional Information:</u>					
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	
Jurisdiction Expired & Complaints Closed	21	20	12	11	
Denials of New Applications	5	7	7	5	
Denials of Renewal Applications	2	4	1	0	

and reported on the Appraiser Qualifications Board (AQB) meeting, the State Regulator Advisory Group (SRAG) meeting, and the annual Fall Association of Appraiser Regulatory Officials (AARO) meeting held October 3-7, 2008, in Washington D.C.

OLD BUSINESS

Discussion And Action Concerning Approval Of Proposed Substantive Policy Statement Concerning The Use Of Qualifying Education To Count Toward Continuing Education.

Debbie Rudd moved that the Board adopt Substantive Policy Statement #4, Guidelines for Accepting Qualifying Education to be used as Continuing Education. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

NEW BUSINESS

Discussion and Action Concerning Draft Legislation to Recover Administrative Costs.

Debbie Rudd moved that the Board approve the draft legislation to recover administrative costs. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion. A Stakeholders/Rules Committee meeting was scheduled for October 30, 2008, at 9:00 a.m.

Discussion and Action Concerning Proposed Meeting Room for the Board Outreach Meeting in Tucson, Arizona.

Debbie Rudd moved that staff coordinate with Cynthia Henry reserving the Center for the Arts meeting room in Tucson, Arizona, if available for the upcoming Board Outreach Meeting to be held December 5, 2008. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Discussion and Action Concerning Advertisement by Voda Dragos.

Debbie Rudd moved that staff correspond with Voda Dragos concerning the "comp check" advertisement. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Discussion and Action Concerning Qualifying *Uniform Standards of Professional Appraisal Practice* (USPAP) Requirement Question from Brian Frank.

Debbie Rudd moved that the Board take no action. Michael Marquess seconded the motion. The Board voted unanimously in favor of the motion.

Discussion and Action Concerning Formal Hearings.

Staff was instructed to place one complaint referred to the Office of Administrative Hearings (OAH) for formal hearing for noncompliance on the Board's next agenda for possible scheduling before the Board in January, 2009.

CONFIRMATION OF MEETING DATES, TIMES, LOCATIONS AND PURPOSES

The upcoming Committee and Board meetings were confirmed as follows:

October

30	Stakeholders/Rules Committee	9:00 a.m.
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November

19	Application Review Committee	2:00 p.m.
20	Appraisal Testing and Education Committee	7:30 a.m.
20	Board	9:00 a.m.

ADJOURNMENT

The meeting was adjourned.

/S/
Lester G. Abrams, Chairperson